



Kentucky Retirement Systems

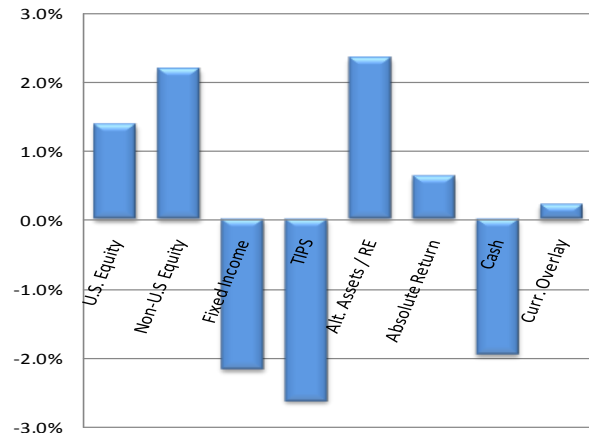
Quarterly Investment Update

Pension Fund
September 30, 2010

Kentucky Retirement Systems Quarterly Investment Update							September 30, 2010
PENSION	QTD	Fiscal Y-T-D	1 Yr Ended	3 Yrs Ended	5 Yrs Ended	10 Yrs Ended	
Total Fund							
KRS	7.37%	7.37%	11.46%	-1.18%	3.81%	3.87%	
Blended Index	8.83%	8.83%	10.08%	-0.44%	3.95%	3.80%	
Equities							
Domestic Equities	11.48%	11.48%	11.33%	-6.42%	1.28%	0.55%	
Performance Benchmark	11.37%	11.37%	11.17%	-6.37%	1.11%	0.75%	
Non-U.S. Equities	15.72%	15.72%	8.27%	-5.17%	4.44%	3.07%	
Performance Benchmark	16.73%	16.73%	7.91%	-7.05%	3.80%	3.42%	
Total Equities	13.18%	13.18%	9.97%	-5.92%	2.30%	1.42%	
Performance Benchmark	13.34%	13.34%	9.81%	-6.78%	1.74%	1.40%	
Fixed Income							
Core Fixed Income	2.84%	2.84%	9.46%	5.60%	5.12%	5.92%	
Performance Benchmark	2.49%	2.49%	8.17%	7.43%	6.15%	6.44%	
TIPS	2.79%	2.79%	10.07%	7.17%	5.69%	7.02%	
Performance Benchmark	2.48%	2.48%	8.89%	6.91%	5.49%	6.95%	
Total Fixed Income	2.86%	2.86%	10.02%	6.19%	5.38%	6.34%	
Performance Benchmark	2.48%	2.48%	8.38%	7.32%	6.01%	6.71%	
Real Estate							
KRS	7.02%	7.02%	14.77%	3.89%	3.89%	3.89%	
Performance Benchmark	3.31%	3.31%	-1.48%	-6.61%	-6.61%	-6.61%	
Absolute Return							
KRS	-0.56%	-0.56%	-1.97%	-1.97%	-1.97%	-1.97%	
Performance Benchmark	2.08%	2.08%	4.11%	4.11%	4.11%	4.11%	
Alternatives							
KRS	1.21%	1.21%	21.24%	-4.53%	3.63%	10.60%	
Performance Benchmark	9.58%	9.58%	14.18%	-0.48%	4.03%	5.78%	
Cash							
KRS	0.16%	0.16%	1.09%	2.06%	3.37%	3.79%	
Performance Benchmark	0.03%	0.03%	0.10%	1.01%	2.48%	2.41%	

Actual V. Target Deviation
Pension as of 09/30/10

	\$'s (millions)	Actual %	Target %	Diff
U.S. Equity	\$3,435	31.4%	30.0%	1.4%
Non-U.S. Equity	2,428	22.2%	20.0%	2.2%
Fixed Income	2,500	22.8%	25.0%	-2.2%
TIPS	808	7.4%	10.0%	-2.6%
Alt. Assets / RE	1,570	14.3%	12.0%	2.3%
Absolute Return	68	0.6%	0.0%	0.6%
Cash	114	1.0%	3.0%	-2.0%
Curr. Overlay	24	0.2%	0.0%	0.2%
Total	\$10,947	100.0%	100.0%	0.0%





Kentucky Retirement Systems

Quarterly Investment Update

Insurance Fund
September 30, 2010

Kentucky Retirement Systems Quarterly Investment Update

September 30, 2010

INSURANCE	QTD	Fiscal Y-T-D	1 Yr Ended	3 Yrs Ended	5 Yrs Ended	10 Yrs Ended
Total Fund						
KRS	9.34%	9.34%	10.50%	-4.48%	2.71%	3.37%
Blended Index	11.39%	11.39%	9.57%	-4.46%	2.45%	2.72%
Equities						
Domestic Equities	13.88%	13.88%	13.31%	-6.99%	1.14%	1.01%
Performance Benchmark	11.39%	11.39%	10.95%	-6.61%	0.95%	0.15%
Non-U.S. Equities	15.30%	15.30%	7.06%	-5.65%	4.72%	4.13%
Performance Benchmark	16.45%	16.45%	6.45%	-7.57%	3.45%	3.25%
Total Equities	14.42%	14.42%	10.88%	-7.34%	1.64%	1.76%
Performance Benchmark	13.54%	13.54%	9.09%	-7.14%	1.42%	1.14%
Fixed Income						
TIPS	2.71%	2.71%	9.85%	7.10%	5.62%	7.34%
Performance Benchmark	2.48%	2.48%	8.89%	6.91%	5.49%	7.25%
Real Estate						
KRS	8.64%	8.64%	18.53%	3.86%	3.86%	3.86%
Performance Benchmark	3.31%	3.31%	-1.48%	-6.61%	-6.61%	-6.61%
Absolute Return						
KRS	-0.56%	-0.56%	-2.49%	-2.49%	-2.49%	-2.49%
Performance Benchmark	2.08%	2.08%	4.11%	4.11%	4.11%	4.11%
Alternatives						
KRS	3.42%	3.42%	19.82%	-2.50%	3.08%	5.51%
Performance Benchmark	10.50%	10.50%	12.60%	-3.56%	2.51%	3.23%
Cash						
KRS	0.06%	0.06%	0.24%	1.32%	3.03%	3.00%
Performance Benchmark	0.03%	0.03%	0.10%	1.01%	2.47%	2.41%

Actual V. Target Deviation
Insurance as of 09/30/10

	\$'s (millions)	Actual %	Target %	Difference
U.S. Equity	\$1,107	41.9%	40.0%	1.9%
Non-U.S. Equity	684	25.9%	30.0%	-4.1%
TIPS	285	10.8%	12.0%	-1.2%
Alt. Assets / RE	232	8.8%	15.0%	-6.2%
Absolute Return	29	1.1%	0.0%	1.1%
Cash	299	11.3%	3.0%	8.3%
Curr. Overlay	8	0.3%	0.0%	0.3%
Total	\$2,643	100%	100%	0%

